

REMARKS

Favorable reconsideration of this application as currently amended and in light of the following discussion is respectfully requested.

Claim 3 has been amended to address matters of form. Support for this amendment is found in the specification on page 7, for example. Thus, no new matter is added.

The outstanding Office Action objects to the specification under 35 U.S.C. § 112, first paragraph; rejects Claims 6-8 under 35 U.S.C. § 101; rejects Claim 3 under 35 U.S.C. § 112, second paragraph; and rejects Claims 1-20 under 35 U.S.C. § 103(a) as being unpatentable over Sharp, et al. (U.S. Patent No. 6,263,317, herein "Sharp") in view of Duffy et al. (U.S. Patent App. Pub. US2003/0212610 herein "Duffy")

35 U.S.C. § 112, first paragraph.

In response to the objection to the specification outlined in paragraph 1 of the Official Action, the specification has been amended throughout to correct grammatical matters.

Accordingly, Applicants respectfully request that the objection under 35 U.S.C. § 112, first paragraph, be withdrawn.

35 U.S.C. § 101.

The Official Action rejected Claims 6-8 under 35 U.S.C. § 101 as being directed to non-statutory subjected matter. Applicant respectfully traverses the rejection.

MPEP § 2106 provides that:

Office personnel have the burden to establish a *prima facie* case that the claimed invention as a whole is directed to solely an abstract idea or to manipulation of abstract ideas or does not produce a useful result. Only when the claim is devoid of any limitations to a practical application in a technological arts should it be rejected under 35 U.S.C. § 101 . . . Further, when such a rejection is made, office personnel must expressly state how the language of the claims has been interpreted to support the rejection. (emphasis added) See MPEP § 2106.

However, the rejection merely includes conclusory statements as follows:

In the present case, claims 6-8 only recite an abstract idea. The recited steps of merely receiving first and second order information via a network and grasping an actual sales condition does not necessarily apply, involve, use, or advance the technological arts since *all of the recited steps* can be performed in the mind of the user or by use of a pencil and paper (a “network” does not need to involve technology). These steps only constitute an idea of how to provide a distribution management method. (emphasis added)

Aside from the broad generalization above, Applicants respectfully submit that no express statement has been provided as to how the language of the claims have been interpreted to support the 35 U.S.C. § 101 rejection in violation of the guidelines of MPEP § 2106.

Accordingly, should such a rejection be maintained in a subsequent communication with respect to any of the aforementioned claims, Applicants respectfully request the Examiner provide an express statement on the record in accordance with MPEP § 2106 guidelines explaining how such claim terminology, such as “stock control means,” “order information,” “purchase request,” “sales channel,” “stock,” “sales condition,” “supplier,” etc., is interpreted. More specifically, how such limitations are deficient to define a practical application in the technological arts of useful, concrete and tangible result. See State Street Bank & Trust Co. v. Signature Financial Group, Inc., 149 F.3d 1368, 1374, 47 (Fed. Cir. 1998) (discussing practical application of a mathematical algorithm, formula, or calculation.).

Applicants further note that Claims 6-8 are directed to a distribution management method, claim 6 reciting means-plus-function terminology, namely “a stock controlling means.”

**Proper claim interpretation of a means-plus-function (35 U.S.C. § 112, 6<sup>th</sup> paragraph) element entails consideration of the structures disclosed in the specification and equivalents thereof.**

In determining the scope of the claims prior to determining compliance with each statutory requirement for patentability, MPEP § 2106 provides:

Office personnel are to correlate each claim limitation to all portions of the disclosure that describes the claim limitation. This is to be done in all cases, i.e., whether or not the claimed invention is defined using means or step plus function language. The correlation step will ensure that office personnel will correctly interpret each claim limitation. (emphasis added).

Thus, Applicant respectfully submits that the rejection under 35 U.S.C. § 101 of Claims 6 and any Claim depending therefrom, is improper as such claims clearly recite statutory structure.

Accordingly, Applicant respectfully requests that the rejection of Claims 6-8 under 35 U.S.C. § 101 be withdrawn.

35 U.S.C. § 112, second paragraph

In response to the rejection under 35 U.S.C. §112, second paragraph, as outlined on page 3 of the Official Action, Claim 3 has been amended to clarify that new product would be controlled as the stock corresponding to the sales debut of said new product and said new product is stored in said second sales channel.

Accordingly, Applicants respectfully request that the rejection under 35 U.S.C. § 112, second paragraph, be withdrawn.

Rejection under 35 U.S.C. § 103(a)

Claims 1-20 stand rejected under 35 U.S.C. § 103(a), as obvious over Sharp in view of Duffy. Applicants respectfully traverse the rejection.

Claim 1 recites *inter alia* a distribution management device including:

“second order information being formed based on a second purchase request received via a second sales channel that does not use the network”;

“grasping an actual sales condition . . . based on the first and the second order information”; and

“supply[ing] said merchandise based on said actual sales condition.”

Sharp describes a web based system (500) where customer (120) can place orders for a brand name product (1300) and then allocate orders to manufacturers (130) and retailers (140) according to distribution channel protocols (410-420) defined by the manufacturer.<sup>1</sup>

The Office Action acknowledges that Sharp does not disclose all of the Applicants' claim limitations. In particular, the Office Action correctly notes that Sharp does not disclose among other features, a second purchase request being received via a second sales channel that does not use the network or the supplier supplying the merchandise based on an actual sales condition.

The Official Action cites the Duffy publication as disclosing this aspect of the claimed invention. Duffy describes a system and method for specification (102) and exchange (104) management where "the user computers (106) and (108) have a browser configured to access web-based pages."<sup>2</sup> However, Duffy does not describe or suggest "a second purchase request being received via a second sales channel that does not use the network"; "grasping an actual sales condition . . . based on the first and the second order information"; or "the supplier supplying the merchandise based on an actual sales condition."

Indeed, the Official Action acknowledges that the combination of references lack claimed features but "takes Official Notice that it was well known in the art of commerce for a second sales channel (i.e., a second buyer of goods) to make a purchase request that does not utilize the network but instead uses mail, face-to-face, phone, or fax communication." The Official Action also states that "it is well known in the art to stop the supply of a product when it is about to be replaced by a new product and it would have been obvious to one of ordinary skill in the art at the time of the invention to employ the steps of . . ."

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<sup>1</sup> See Abstract and Figs. 1-13 of Sharp.

<sup>2</sup> Duffy, Fig. 1 and paragraph 45.

With regard to this noted deficiency in light of the rejection under 35 U.S.C. § 103(a), it appears that the Official Action is taking official notice without providing a citation in support of its assertion.

If official notice is being taken, Applicants respectfully submit that official notice alone is not permissible as grounds for rejection in the outstanding Official Action. As stated in the MPEP at § 2144.03(A):

It would not be appropriate for the examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known. For example, assertions of technical facts in the areas of esoteric technology or specific knowledge of the prior art must always be supported by citation to some reference work recognized as standard in the pertinent art. *In re Ahlert*, 424 F.2d at 1091, 165 USPQ at 420-21.

With regard to the above, Applicants respectfully submit that the isolated features advantageously recited in Claims 1-20 are not “capable of instant and unquestionable demonstration as being well-known,” especially in view of the combination of other claim elements.

As none of the cited references, individually or in combination, disclose or suggest all the elements of Claims 1-20, Applicant submits the inventions defined by Claims 1-20 are not rendered obvious by the asserted references.

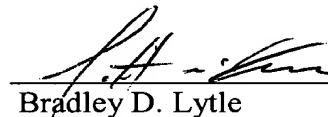
In addition, as Duffy may not qualify as prior art against the present application without the benefit of its provisional filing date, Applicants respectfully request that any subsequent rejection, based in whole or in part on Duffy, cite to the relevant parts of the Duffy provisional application No. 60/184,920 instead of the divisional application to facilitate a complete response.

Application No. 09/800,524  
Reply to Office Action of October 14, 2004

Accordingly, in view of the foregoing amendments and remarks, it is respectfully submitted that the present application, including Claims 1-20, is patentably distinguished over the prior art, is in condition for allowance, and such action is respectfully requested at an early date.

Respectfully submitted,

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